REMARKS/ARGUMENTS

Favorable reconsideration of this application in light of the following discussion is respectfully requested.

Claims 1-8, 10-21, and 23-25 are presently active in this case. The present Amendment amends Claims 1 and 15 without introducing any new matter.

In the outstanding Office Action, Claims 1-9 and 15-22 were rejected under 35 U.S.C. §103(a) as unpatentable over Morales et al. (U.S. Patent No. 4,847,837, herein "Morales") in view of Sandesara (U.S. Patent No. 5,327,427) and in further view of McLain, Jr. (U.S. Pat. No. 5,748,617, herein "McLain").

Claims 11-14 were allowed and Claims 10 and 23 were indicated as allowable if rewritten in independent form. Applicants acknowledge with appreciation the indication of allowable subject matter.

Independent Claims 1 and 15 are amended to recite "when the central unit determines that a station or splitting device is faulty, a network load is distributed to each non-faulty splitting device such that the bit rate increase in each non-faulty splitting device is less than the nominal bit rate." This feature finds non-limiting support in the disclosure as originally filed, at least, from page 4, lines 3-16. Therefore, the new claims are not believed to raise any questions of new matter.

In a response to the rejection of Claims 1-9 and 15-22 under 35 U.S.C. §103(a), Applicants respectfully request reconsideration of this rejection and traverse the rejection, as discussed next.

Briefly recapitulating, Claim 1 relates to a network for distributing information between a central unit and stations. The network includes, *inter alia*: information splitting devices with inputs/outputs connected to the central unit and to the stations, an interface device in each station, wherein the interface device of each station is linked to a first splitting

device and to a second splitting device by the interface device of at least one additional station, wherein each splitting device is configured to support a higher bit rate than the nominal bit rate of the splitting device and when central unit determines that the terminal, the interface or the splitting device is faulty, a network load is distributed to each non-faulty splitting device such that the bit rate increase in each non-faulty splitting device is less than the nominal bit rate.

Turning now to the applied reference, Morales discloses an error-detecting and error-correcting local area networked computer system, wherein an interfacing transceiver 18 attached to networks 12 and 14 is connected to a plurality of nodes 16. Switches 34 with two outputs 36 and 38 are located between the nodes 16 and the interfacing transceivers 18 to connect or disconnect the nodes to the networks 12 and 14.

However, Morales fails to teach that a splitting device is configured to support a higher bit rate than the nominal bit rate of the splitting device and when central unit determines that the terminal, the interface or the splitting device is faulty, a network load is distributed to each non-faulty splitting device such that the bit rate increase in each non-faulty splitting device is less than the nominal bit rate, as newly recited in Applicants' independent Claim 1 and in slightly modified form (without the terminal) in independent Claim 15.

Applicants respectfully submit the reference <u>Sandesara</u> also fails to teach or suggest the above features that each splitting device is configured to support a higher bit rate than the nominal bit rate of the splitting device and when the central unit determines that the interface or the splitting device (and the terminal in Claim 1) is faulty, a network load is distributed to each non-faulty splitting device such that the bit rate increase in each non-faulty splitting device is less than the nominal bit rate.

¹ See Morales in the Abstract.

² See Morales at column 4, lines 51-67 and in corresponding Figure 2.

The outstanding Office Action states on page 3, line 14-15 that "Morales in view of Sandesara fail to teach each splitting device is configured to support a higher rate than the nominal bit rate of the splitting device."

However, the outstanding Action relies on McLain as curing the above noted deficiencies in Morales and Sandesara.

McLain describes an apparatus for testing and monitoring a telecommunication network having a number of nodes which include digital cross-connect switches, where each node can switch signals which arrive at different bit rates.

However, McLain does not describe or suggest that when the central unit determines the interface or the splitting device (and the terminal in Claim 1) is faulty, a network load is distributed to each non-faulty splitting device such that the bit rate increase in each non-faulty splitting device is less than the nominal bit rate.

Therefore, even if the combination of <u>Morales</u>, <u>Sandesara</u> and <u>McLain</u> is assumed to be proper, the combination fails to teach every element of the claimed invention as noted above.

Accordingly, Applicants respectfully request reconsideration of this rejection based on these patents,³ and submit that Claim 1 and 15, and claims depending therefrom, patentably distinguish over Morales, Sandesara and McLain considered individually or together in any proper combination.

Consequently, in view of the present amendment, no further issues are believed to be outstanding in the present application, and the present application is believed to be in

³ See MPEP 2142 stating, as one of the three "basic criteria [that] <u>must</u> be met" in order to establish a *prima* facie case of obviousness, that "the prior art reference (or references when combined) must teach or suggest <u>all</u> the claim limitations," (emphasis added). See also MPEP 2143.03: "All words in a claim must be considered in judging the patentability of that claim against the prior art."

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condition for formal Allowance. A Notice of Allowance for Claims 1-8, 10-21 and 23-25 is earnestly solicited.

Respectfully submitted,

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